ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of the Commission's	)	ET Docket No. 98-237
Rules with Regard to the 3650-3700	)	
MHz Government Transfer Band	)	

To: the Commission

REPLY COMMENTS OF MCI WORLDCOM, INC.

I. INTRODUCTION

MCI WorldCom, Inc. (MCI WorldCom), pursuant to Sections 1.415 and 1.419 of the rules of the Federal Communications Commission (FCC or Commission), hereby submits its reply comments in response to the Notice of Proposed Rulemaking (NPRM) issued in the above-referenced proceeding to redesignate the 3650 – 3700 MHz band (extended C band) to the Fixed Service (FS).[1] MCI WorldCom strongly supports the comments of TRW Inc., Lockheed Martin Corporation, Comsat Corporation, New Skies N.V., Loral Space & Communications Ltd., Hughes Communications, Inc., the Satellite Industry Association and Comsearch to retain the fixed satellite service (FSS) designation in the extended C band. In this regard, MCI WorldCom is willing to accept a co-primary allocation with the FS in the extended C band in order to encourage new uses of the spectrum. However, in order to preserve the ability of operators and users in the FSS to continue their operations, the Commission must allocate the extended C band to the FS and the FSS on a co-primary basis and develop sharing criteria between the two services. Such an approach will promote the development of the new services that are being

[1] Amendment of the Commission's Rules with Regard to the 3650-3700 MHz Government Transfer Band, ET Docket No. 98-237 (released Dec. 18, 1998). (Extended C Band NPRM)

proposed for use in the FS, while ensuring the continued availability of satellite services currently provided by operators in the FSS and that may be deployed in the future. Failure to preserve an FSS primary designation in the extended C band will result in an approximately thirteen percent reduction of bandwidth on most spacecraft.

II. DISCUSSION

A. The FCC Should Designate the Extended C Band on A Co-Primary Basis for the FS and FSS

MCI WorldCom currently provides an extensive VSAT product utilizing INTELSAT and other satellite capacity in the extended C band between the continental United States and international destinations, as well as within the United States. In addition, MCI WorldCom operates three gateway stations in the extended C band located in Andover, Maine, Mt. Jackson, Virginia, and Yokalt, Washington for the provision of international private line, VSAT and switched voice services to large customers, including major corporations and other communications service providers. These gateway stations are currently configured for extended C band use.[2] To reconfigure its VSAT service and its three extended C band gateway stations, MCI WorldCom would need to incur substantial costs, estimated at $5 million per gateway station, not including the costs associated with changing out the VSAT subscriber stations. All total, MCI WorldCom's investments support numerous FSS customers in the extended C band. Accordingly, MCI WorldCom supports the FCC's tentative conclusion that its

[2] In fact, MCI WorldCom's Mount Jackson gateway station is currently configured solely for extended C band. If the extended C band is not preserved for the FSS, this station will be rendered useless.

"reallocation decision must accommodate continued use of the band for incumbent earth station reception of FSS signals..."[3]

Because of MCI WorldCom's existing operations in the extended C band, reallocation of the extended C band solely to the FS on a primary basis would have a severe financial and practical impact on both MCI WorldCom and its customers. First, as New Skies recognizes, little or no additional capacity currently exists for the provision of FSS that currently are provided in the extended C band. Of equal importance, MCI WorldCom's current gateway stations and customer equipment would be rendered useless. Even if additional capacity was available for the FSS uses MCI WorldCom currently operates in the extended C band, tremendous financial resources, such as the deployment of new antennas and other equipment, would be required to access this spectrum. Accordingly, it is imperative that any allocation plan for the extended C band take into account the continued operation of the FSS.

As Comsat, Comsearch and others recognize in their comments, through the development and implementation of appropriate interference criteria, a coordination procedure can be developed to permit shared operation between the FS and the FSS.[4] MCI WorldCom believes that appropriate interference criteria and coordination procedures can be developed that would protect existing earth stations from harmful interference while allowing the introduction of new and innovative FS services. MCI WorldCom would be willing to work with the new FS providers to determine appropriate sharing criteria once these potential service providers are identified.

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[3] Extended C Band NPRM, at para. 3.

[4] See e.g., Satellite Industry Comments at 8.

Designation of the extended C band on a co-primary basis and the development of appropriate sharing criteria will promote the efficient and flexible use of the electromagnetic spectrum for new uses while enabling current and future FSS licensees to utilize the spectrum free of harmful interference. The use of a co-primary designation for the FSS and the FS, with the adoption of appropriate sharing rules will accommodate the continued use of the extended C band for incumbent earth station reception of FSS signals.[5]

B. At A Minimum, The FCC Should Grandfather Existing Stations and Require Payment by the FS for Relocation of the FSS

Even if the FCC determines that the extended C band should be reallocated solely to the FS, MCI WorldCom strongly supports the FCC's decision to grandfather existing FSS stations.[6] However, MCI WorldCom is concerned about the imposition of any restrictions which would reduce the flexibility of the incumbent grandfathered FSS stations to provide service. Accordingly, during the grandfather period, licensees should be able to modify their stations as needed. Further, MCI WorldCom believes that if a grandfather approach is adopted, it should be open ended, and in no case less than for a minimum of fifteen years.[7] If such an approach is not adopted, the result will seriously affect the ability of U.S. service providers to satisfy the demand in the United States for

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[5] As Comsearch recognizes:

> Because of the relatively limited number of earth stations receiving the extended C-band in the U.S., we believe that the traditional Part 25/101 frequency coordination process should not be overly burdensome to FS licensees in the 3650-3700 MHz band and should be maintained.

Comsearch Comments, at 5.

[6] Although MCI WorldCom strongly concurs with Sprint's conclusion that any grandfather provision would constrain the ability of carriers to use INTELSAT.

[7] In fact, any time limit being imposed on a grandfather status would in effect create a lame duck period. Accordingly, it is unlikely that MCI WorldCom or any other service provider would be able to engage in any future VSAT services in the extended C band.

international space segment capacity. This would result in a costly and unnecessary disruption of service to customers and would be contrary to the public interest.

In addition, if the FCC proceeds in its proposal to transition the FSS out of the extended C band, the Commission should require the new FS entrants to pay the costs of the relocation, reconfiguration and/or construction of new earth and gateway stations required to transition from extended C band to standard C band. Such a compensation plan must include, at a minimum, the cost for the loss of existing earth station capabilities and compensation for the construction of new antenna that are required in order to obtain comparable capability and performance.

III. CONCLUSION

Based on the foregoing, MCI WorldCom requests the FCC to designate the FSS and the FS as co-primary services in the extended C band and immediately initiate a rulemaking proceeding to develop appropriate sharing criteria in the band. Such an approach will serve the public interest by ensuring the continued availability of FSS services operating in the extended C band, while allowing the deployment of new FS services.

Respectfully submitted,

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CERTIFICATE OF SERVICE

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